

TORONTO STOCK EXCHANGE

FILING STATEMENT No. 966.
FILED, SEPTEMBER 12th. 1963.

NORTHGATE EXPLORATION LIMITED

Incorporated under Part XI of the Ontario Companies Act by Letters Patent dated January 7, 1919, which were subsequently varied by Supplementary Letters Patent dated May 10, 1956, and December 5, 1958.
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

SEP 30 1963

FILING STATEMENT

Reference is made to previous
Filing Statement No. 677.

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	<p>(a) The purchase by The British Metal Corporation Limited at par of a Debenture of the Company's wholly owned subsidiary, Irish Base Metals Limited, in the principal amount of £167,500. Reference is made to Item 5 hereof.</p> <p>(b) The granting to The British Metal Corporation Limited of an option to purchase 125,000 shares of the Company at a price of \$4.00 per share in consideration of the purchase of the aforesaid Debenture of Irish Base Metals Limited. Reference is made to Item 6 hereof.</p>	
2. Head office address and any other office address.	Suite 1905, 7 King Street East, Toronto 1, Canada.	
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President & Director	Patrick J. Hughes, Carrickbrack Road, Dublin, Republic of Ireland. Prospector and Mining Executive.
	Vice-President & Director	Robert E. Fasken, 1379 Mississauga Road North, Port Credit, Ontario. Land Developer.
	Vice-President & Director	Matthew Gilroy, 17 York Road, Dublin, Republic of Ireland, Prospector and Mining Executive.
	Secretary & Director	G. Warren Armstrong, Orono, Ontario. Barrister and Solicitor.
	Director	Dr. Duncan R. Derry, 25 King Street West, Toronto, Ontario. Mining Geologist.
	Director	R.M.P. Hamilton, 100 Adelaide Street West, Toronto, Ontario. Mining Consultant.
	Director	Hughie Murphy, 216 Birstal Road, Birstal, Leicester, England. Construction Executive.
	Director	Thayer Lindsley, 230 Park Avenue, New York City, New York, U.S.A. Mining Executive.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized:	5,000,000 shares, par value \$1.00
	Issued:	4,599,200 shares, par value \$1.00
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	<p>The Company's wholly owned subsidiary, Irish Base Metals Limited, has authorized, issued and sold at par to The British Metal Corporation Limited, 93 Gresham Street, London, England, a Debenture dated August 14, 1963, in the principal amount of £167,500. Such Debenture bears interest at the rate of 6½% per annum and matures on the date of issuance by Irish Base Metals Limited of First Mortgage Sinking Fund Bonds, Series "A", or June 15, 1964, whichever is the earlier. The payment of principal and interest on this Debenture has been guaranteed by the Company which, in support of such guarantee, has hypothecated and pledged the shares of Irish Base Metals Limited owned by the Company. Irish Base Metals has agreed to earmark the said sum of £167,500 to pay for expenditures incurred in the stripping of the open pit and for the construction, equipping and operation of the pilot plant at the mine site, estimated to cost approximately £150,000.</p>	

6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	<p>(a) A non-assignable employee stock option on 25,000 shares has been granted to the General Manager of the Company exercisable at a price of \$4.00 per share only so long as he is an employee of the Company and/or its subsidiary, Irish Base Metals Limited, in accordance with the following schedule:</p> <p>All or any part of 15,000 shares up to and including July 15, 1966; All or any part of 5,000 shares during the year ending July 15, 1967; All or any part of 5,000 shares during the year ending July 15, 1968.</p> <p>(b) Subject to the acceptance for filing by the Toronto Stock Exchange of the within Filing Statement, and in consideration of the purchase by The British Metal Corporation Limited of a Debenture of Irish Base Metals Limited in the principal amount of £167,500, the Company has agreed to grant to The British Metal Corporation Limited an option to purchase 125,000 common shares in the capital stock of the Company at a price of \$4.00 Canadian per share, exercisable as to all of such shares only on or before fifteen days after the maturity date of such debenture or June 15, 1964, whichever date is the earlier.</p>																								
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	<p>(a) Murray K. Pickard, 10 Bergamot Avenue, Toronto, Ontario, is the only person holding any interest direct or indirect in the optioned shares referred to in Item 6(a) above.</p> <p>(b) The British Metal Corporation Limited, Princes House, 93 Gresham Street, London, England, is the only person or company holding any interest, direct or indirect, in the optioned shares referred to in Item 6(b) above.</p>																								
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	Nil																								
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company is presently completing the stripping of the open pit at the Tynagh property and operating a 15-ton per day pilot plant for the purpose of confirming optimum recovery methods and final flotation circuit details. Upon the completion of this test programme and the necessary financing, construction of a concentrating plant with a daily capacity of 2,000 tons and other facilities necessary for commencement of production from the open pit will be proceeded with.																								
10. Brief statement of company's chief development work during past year.	The Company's chief development work during the past year was carried out through Irish Base Metals primarily at the Tynagh property, County Galway, Ireland. This consisted of some 64,000 feet of drilling, geophysical, geochemical and topographic surveys, camp construction, overburden removal and construction of a pilot plant at the mine site.																								
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable.																								
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.																								
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	480,000 shares of the Company are held in escrow by the Crown Trust Company, subject to release only on the written consent of the Toronto Stock Exchange and the Board of Directors of the Company.																								
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	<table><tr><td>G. W. Armstrong, Orono, Ontario.</td><td>44,000</td><td>escrowed shares</td></tr><tr><td>Calder & Company, 37 Wall Street, New York, N. Y. U.S.A.</td><td>50,000</td><td>" "</td></tr><tr><td>Union Securities Limited, Zurich, Switzerland.</td><td>50,000</td><td>" "</td></tr><tr><td>Michael Begley, Dundalk, Ireland.</td><td>25,474</td><td>" "</td></tr><tr><td>R. E. Fasken, 1379 Mississauga Road, Port Credit, Ontario.</td><td>66,666</td><td>" "</td></tr><tr><td>Matthew Gilroy, 17 York Road, Dublin, Ireland.</td><td>3,860</td><td>" "</td></tr><tr><td>Michael McCarthy, Balinasloe, County Galway, Ireland.</td><td>240,000</td><td>" "</td></tr><tr><td></td><td>480,000</td><td>escrowed shares</td></tr></table> <p>The Company understands that the above shareholdings are beneficially owned by the registered holders thereof with the exception of the shares registered in the name of Union Securities Limited and Calder & Company, which shares are beneficially owned by G. W. Armstrong.</p>	G. W. Armstrong, Orono, Ontario.	44,000	escrowed shares	Calder & Company, 37 Wall Street, New York, N. Y. U.S.A.	50,000	" "	Union Securities Limited, Zurich, Switzerland.	50,000	" "	Michael Begley, Dundalk, Ireland.	25,474	" "	R. E. Fasken, 1379 Mississauga Road, Port Credit, Ontario.	66,666	" "	Matthew Gilroy, 17 York Road, Dublin, Ireland.	3,860	" "	Michael McCarthy, Balinasloe, County Galway, Ireland.	240,000	" "		480,000	escrowed shares
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NORTHGATE EXPLORATION LIMITED

CONSOLIDATED STATEMENT OF EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENDITURES DEFERRED

For the four months ended July 31, 1963

IRELAND

Drilling and assaying	\$ 8,756
Stripping	82,039
Wages, transportation and general operating expense	25,324
Engineering and geological fees and expenses	49,229
Surveys and research	700
General overhead and administrative expenses	29,634
	<u>195,682</u>
Expenditures deferred at April 1, 1963	1,370,075
Expenditures deferred at July 31, 1963	<u>\$1,565,757</u>

CANADA

Administrative and corporate expenses, less charge to subsidiary company, Irish Base Metals Limited	\$ 20,454
Expenditures deferred at April 1, 1963	<u>305,833</u>
Expenditures deferred at July 31, 1963	<u>\$ 326,287</u>

NOTES TO FINANCIAL STATEMENTS

- Subsequent to the date of the balance sheet:
 - £167,500 (approximately \$500,000) was borrowed under a 6 $\frac{1}{2}$ % debenture due on June 15, 1964 or on the date of issue of securities for permanent financing, whichever is the earlier; and
 - An option to purchase 125,000 shares of the company's capital stock at \$4 per share was granted to the purchaser of the debenture exercisable, only as to all such shares, on or before June 15, 1964 or 15 days after the date of issue of securities for permanent financing, whichever is the earlier.
- There are 25,000 shares under option to an employee at \$4 per share expiring in 1968.
- An action has been instituted by three former employees claiming a finders' fee for the location of the Tynagh property in Ireland. The company has denied any liability in this matter.

NORTHGATE EXPLORATION LIMITED

(Incorporated under the laws of the Province of Ontario)
and its wholly owned subsidiary company
Irish Base Metals Limited

ASSETS

CURRENT ASSETS

Cash	\$	325,665	
Short term securities at cost		65,792	
Accounts receivable		4,946	
Prepaid expenses		17,953	\$ 414,356

Shares in other mining companies at cost		
less amounts written off (no market value)	105,001	
Advances to other mining companies	19,866	
Prospecting syndicates and grubstakes at cost	24,194	149,061

Buildings, machinery and equipment at cost	247,085	
Less accumulated depreciation	<u>6,729</u>	
	240,356	
Land in Ireland at cost	144,981	
Mining claims in Canada	1,577,864	1,963,201

Excess of cost of shares in subsidiary company over book value of underlying assets	983,326	
Deferred exploration, development and administrative expenditures:		
Ireland	1,565,757	
Canada	326,287	
Leasehold improvements	26,394	
Organization expenses	<u>10,051</u>	<u>2,911,815</u>
		\$5,438,433

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 215,517
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Capital stock (notes 1 and 2)		
Authorized - 5,000,000 shares of \$1 each		
Issued - 4,599,200 shares	\$4,599,200	
Deduct discount less premium	<u>253,049</u>	
	4,346,151	
Surplus (unchanged since March 31, 1963)	<u>876,765</u>	<u>5,222,916</u>
APPROVED ON BEHALF OF THE BOARD		
<u>[Signature]</u> Director		<u>\$5,438,433</u>
<u>[Signature]</u> Director		

NORTHGATE EXPLORATION LIMITED

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the four months ended July 31, 1963

SOURCE

\$ Nil

APPLICATION

Buildings, machinery and equipment	\$147,044	
Land in Ireland	4,658	
Deferred exploration, development and administrative expenditures:		
Ireland	195,682	
Canada	20,454	
Participation in prospecting syndicate	5,000	
Leasehold improvements	26,394	
Organization expenses	<u>3,703</u>	<u>402,935</u>

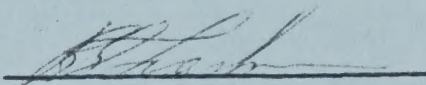
DECREASE IN WORKING CAPITAL

\$402,935

WORKING CAPITAL

April 1, 1963	\$601,774
July 31, 1963	<u>198,839</u>
Decrease	<u>\$402,935</u>

APPROVED ON BEHALF OF THE BOARD

 Director

 Director

15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state	Sealord Investment Corporation Limited, 10 Adelaide Street East, Toronto 1, Ontario. Michael McCarthy, Balinasloe, County Galway, Ireland. Domtor Company, c/o Toronto-Dominion Bank, King and Yonge Streets Branch, Toronto, Ontario. A. E. Ames & Company, 320 Bay Street, Toronto, Ontario. Anglo United Development Corporation, Limited, 7 King Street East, Suite 1905, Toronto, Ontario. The Company understands that the shares registered in the name of Michael McCarthy and Anglo United Development Corporation Limited are beneficially owned. The Company understands that the shares registered in the names of A.E. Ames & Company, Sealord Investment Corporation Limited and Domtor Company are not beneficially owned.	540,300 shares <
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CERTIFICATE OF THE COMPANY

DATED September 5, 1963

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"R.E. Fasken"

Vice-President

CORPORATE
SEAL

"G.T. Smith"

Director

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)